

# Employee Benefits Survey

## Technical Note

The Employee Benefits Survey (EBS) of the Bureau of Labor Statistics (BLS) covers the incidence and characteristics of employee benefit plans, and is conducted jointly with the Bureau's Employment Cost Index Survey. The two surveys cover all private sector establishments (except farms and private households) and State and local governments.

The survey covers full- and part-time employees in the 50 States and District of Columbia. However, industrial and establishment size coverage varies on a rotating basis. In even-numbered reference years, EBS data are collected for small private establishments (those employing fewer than 100 workers) and State and local governments (regardless of employment size). In odd-numbered years, data are collected for medium and large private establishments (those employing 100 workers or more).

### Occupational groups

Within each surveyed establishment, data are collected for a sample of all occupations in the establishment. The occupations are selected randomly; the probability of any occupation's selection is related to its employment size relative to total employment in the surveyed establishment.

### Benefit areas

BLS requests that surveyed establishments provide data for the sample occupations' work schedules and details of plans in each of the following benefit areas: Paid holidays; vacations; personal leave, funeral leave, military leave, sick leave, jury duty leave, and paid and unpaid family leave; sickness and accident insurance; long-term disability insurance; medical, dental, and vision care; life insurance; defined benefit pension plans; defined contribution plans; flexible benefit plans; and reimbursement accounts.

Data are also collected on the incidence of the following additional benefits: Severance pay, supplemental unemployment benefits, travel accident insurance, nonproduction cash bonuses, child care, elder care, long-term care insurance, wellness programs, recreation facilities, job-related and nonjob-related educational assistance, employee assistance programs, financial counseling, subsidized commuting, sabbatical leave, stock option plans, stock purchase plans, and cash profit-sharing plans.

### Survey estimation methods

The survey design uses an estimator that assigns the inverse of each surveyed establishment's probability of selection as a weight to its data. Three weight-adjustment factors are applied to the establishment data. The first factor is introduced to account for establishment nonresponse and the second for occupational nonresponse. A third poststratification factor is introduced to adjust the estimated employment totals to actual counts of the employment by industry for the survey reference date.

There are two procedures used to adjust for missing data from responding establishments. First, imputations for the number of plan participants are made for cases in which this number is not reported. Each of these participant values is imputed by selecting a similar plan from another establishment with similar employment in a similar industry. The participation rate from this selected plan is then used to approximate the number of participants for the plan that is missing a participation value.

Second, imputations for plan provisions are made when they are not available because of an establishment's partial response. These plan provisions are imputed by selecting provisions from a plan from another establishment with similar characteristics.

### Regular publications

Estimates from the EBS are published in three bulletins: *Employee Benefits in Small Private Establishments*; *Employee Benefits in Medium and Large Private Establishments*; and *Employee Benefits in State and Local Governments*.

To meet the needs of data users interested in specific benefit topics, EBS data are used to prepare three series of short publications: *Understanding Employee Benefits* is a popularly written series of flyers covering benefits. *Employee Benefits Briefs* are one-page highlights of benefits topics. *Issues in Labor Statistics* is a series of BLS occasional reports that presents information of current interest.

Information also may be obtained by writing the Employee Benefits Survey, Bureau of Labor Statistics, 2 Massachusetts Ave. NE, Room 4160, Washington, DC 20212-0001.

Telephone: (202) 606-6222

Internet: <http://stats.bls.gov/ebshome.htm>

TABLE B-1. **Percent of full-time employees in medical plans<sup>1</sup> by source of managed care features, public and private sector, 1994-97<sup>2</sup>**

Source of managed care features	All employees	Public sector	Private sector		
			Total	Medium and large establishments	Small establishments
Number of employees (in thousands) .....	66,131	11,192	54,939	29,340	25,599
<b>Total (percent) .....</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Managed care plans .....	66	60	68	73	62
Preferred provider organization <sup>3</sup> plans .....	36	30	38	40	35
Health maintenance organization <sup>4</sup> plans .....	30	30	30	33	27
Traditional fee-for-service <sup>5</sup> plans .....	32	38	31	27	36
With managed care features .....	21	28	19	21	18
Without managed care .....	7	11	6	5	6
Not determinable .....	5	-	6	-	12

<sup>1</sup> Plans providing services or payments for services rendered in the hospital or by a physician. Includes exclusive provider organization plans that are not shown separately. Excludes plans that provide only dental, vision or prescription drug coverage.

<sup>2</sup> Data for public sector employees are for 1994, data for private sector small establishments (fewer than 100 employees) are for 1996, and data for private sector medium and large establishments are for 1997.

<sup>3</sup> A preferred provider organization (PPO) is a group of hospitals and physicians that contract to provide comprehensive medical services. To encourage use by organi-

zation members, the health care plan limits reimbursement rates when participants use nonmember services.

<sup>4</sup> A health maintenance organization (HMO) provides a prescribed set of benefits to enrollees for a fixed payment.

<sup>5</sup> A traditional fee-for-service (FFS) plan pays for specific medical procedures, performed by any qualified provider, as expenses are incurred. Managed care features must include preadmission certification and second surgical opinion.

NOTE: Because of rounding, sums of individual items may not equal totals. Dash indicates no employees in this category.

TABLE B-2. Percent of full-time employees in health plans other than health maintenance organizations (HMOs) by amount of individual deductible,<sup>1</sup> public and private sector, 1994-97<sup>2</sup>

Individual deductible <sup>3</sup>	All employees			Public sector			Private sector		
	All non-HMO plans <sup>4</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>4</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>4</sup>	Fee-for-service plans	Preferred provider organizations
Number of employees (in thousands) .....	46,294	21,341	24,047	7,881	4,269	3,368	38,414	17,071	20,678
Total (percent) .....	100	100	100	100	100	100	100	100	100
Deductible specified .....	77	93	65	84	93	78	76	93	63
Deductible on an annual basis <sup>5</sup> .....	77	93	65	84	93	78	76	92	63
Based on earnings <sup>6</sup> ....	2	3	2	( <sup>7</sup> )	1	-	3	4	2
Flat dollar amount .....	75	90	63	83	92	78	73	89	61
Less than \$100 .....	2	3	1	6	9	1	1	2	1
\$100 - \$149 .....	15	21	10	33	42	23	11	16	7
\$150 - \$199 .....	6	5	7	7	5	9	6	5	6
\$200 - \$249 .....	18	21	16	18	15	22	18	23	15
\$250 - \$299 .....	14	16	12	12	12	12	14	16	12
\$300 and over .....	20	24	18	9	9	10	23	27	20
Other .....	( <sup>7</sup> )	1	( <sup>7</sup> )	( <sup>7</sup> )	-	( <sup>7</sup> )	( <sup>7</sup> )	1	( <sup>7</sup> )
No deductible .....	21	6	33	16	7	22	23	5	35
Not determinable .....	1	1	2	( <sup>7</sup> )	1	-	2	1	2

<sup>1</sup> The deductible is the amount of covered expenses that an individual must pay before any charges are paid by the medical care plan. Deductibles that apply separately to a specific category of expense, such as a deductible for each hospital admission, were excluded from this tabulation.

<sup>2</sup> Data for public sector employees are for 1994, data for private sector small establishments (fewer than 100 employees) are for 1996, and data for private sector medium and large establishments are for 1997.

<sup>3</sup> Amount of deductible described is for each insured person. However, many plans contain a maximum family deductible. In some plans, the individual and the family deductibles are identical. If the deductible applied only to dependents' coverage, it was not tabulated.

<sup>4</sup> These plans include exclusive provider organizations that are not shown separately.

<sup>5</sup> Deductibles are calculated on an annual basis, with the enrollee responsible for satisfying a new deductible requirement each plan year.

<sup>6</sup> These plans have deductibles that vary by the amount of the participant's earnings. A typical provision is 1 percent of annual earnings with a maximum deductible of \$150.

<sup>7</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Dash indicates no employees in this category.

TABLE B-3. **Percent of full-time employees in health plans other than health maintenance organizations (HMOs) by relationship of individual and family deductibles,<sup>1</sup> public and private sector, 1994-97<sup>2</sup>**

Relationship of individual and family deductibles	All employees			Public sector			Private sector		
	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations
Number of employees (in thousands)	46,294	21,341	24,047	7,881	4,269	3,368	38,414	17,071	20,678
Total (percent) .....	100	100	100	100	100	100	100	100	100
Individual and family deductibles specified .....	67	79	59	79	89	72	65	76	57
Family deductible is multiple of individual deductible <sup>4</sup> .....	56	66	50	59	63	56	56	66	49
2 times .....	27	32	23	33	35	33	26	32	22
3 times .....	23	26	21	20	24	14	24	26	23
Other .....	6	8	5	6	4	9	6	8	5
Specified number of individual deductibles must be met to satisfy family deductible <sup>5</sup> .....	11	13	9	20	25	16	9	10	8
Less than 3 individual deductibles .....	4	5	2	6	9	4	3	4	2
3 individual deductibles .....	7	8	6	14	16	12	6	6	6
More than 3 individual deductibles .....	( <sup>6</sup> )	( <sup>6</sup> )	-	-	-	-	( <sup>6</sup> )	( <sup>6</sup> )	-
No individual and/or family deductible .....	31	20	40	21	11	28	34	22	42
Not determinable .....	1	1	2	( <sup>6</sup> )	1	-	2	1	2

<sup>1</sup> Deductibles are calculated on an annual basis with the enrollee responsible for satisfying a new deductible requirement each plan year.

<sup>2</sup> Data for public sector employees are for 1994, data for private sector small establishments (fewer than 100 employees) are for 1996, and data for private sector medium and large establishments are for 1997.

<sup>3</sup> These plans include exclusive provider organizations that are not shown separately.

<sup>4</sup> For example, the individual deductible requirement is \$100 while the family deductible requirement is \$300.

<sup>5</sup> For example, the individual requirement is \$100 and three individual deductibles must be met to satisfy the family requirement.

<sup>6</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Dash indicates no employees in this category.

TABLE B-4. Percent of full-time employees in health plans other than health maintenance organizations (HMOs) by coinsurance rates, public and private sector, 1994-97<sup>1</sup>

Coinsurance rate	All employees			Public sector			Private sector		
	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations
Number of employees (in thousands) .....	46,294	21,341	24,047	7,881	4,269	3,368	38,414	17,071	20,678
Total (percent) .....	100	100	100	100	100	100	100	100	100
With a coinsurance rate <sup>3</sup> .....	83	94	76	87	94	83	83	94	75
80 percent .....	57	80	39	64	78	51	56	80	37
85 percent .....	3	2	3	3	3	3	3	2	3
90 percent .....	18	5	30	17	10	27	18	4	30
Other percent .....	5	7	3	2	3	2	5	8	4
Varies <sup>4</sup> .....	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )	1	1	1	( <sup>5</sup> )	( <sup>5</sup> )	( <sup>5</sup> )
Without coinsurance <sup>6</sup> .....	17	6	24	13	5	17	17	6	25
Not determinable .....	( <sup>5</sup> )	( <sup>5</sup> )	-	( <sup>5</sup> )	1	-	( <sup>5</sup> )	( <sup>5</sup> )	-

<sup>1</sup> Data for public sector employees are for 1994, data for private sector small establishments (fewer than 100 employees) are for 1996, and data for private sector medium and large establishments are for 1997.

<sup>2</sup> These plans include exclusive provider organizations that are not shown separately.

<sup>3</sup> Represents the initial coinsurance in plans that have 100 percent coverage after the individual pays a specified dollar amount toward expenses. For example, the plan pays 80 percent until the individual's out-of-pocket expenses reach \$1,000, and then coverage is at 100 percent. A few plans have

more than one coinsurance rate. In those cases, the coinsurance rate shown applies to the majority of benefits under the plan.

<sup>4</sup> The overall coinsurance rate varies by specified dollar amount of expenses. For example, 80 percent coverage up to \$5,000 and 90 percent thereafter.

<sup>5</sup> Less than 0.5 percent.

<sup>6</sup> Includes plans with overall benefit limitations, such as maximum dollar amounts and deductibles, where the coinsurance rate is 100 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Dash indicates no employees in this category.

TABLE B-5. Percent of full-time employees in health plans other than health maintenance organizations (HMOs) by maximum out-of-pocket expense provisions, public and private sector, 1994-97<sup>1</sup>

Maximum out-of-pocket expenses	All employees			Public sector			Private sector		
	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations
Number of employees (in thousands) .....	46,294	21,341	24,047	7,881	4,269	3,368	38,414	17,071	20,678
Total (percent) .....	100	100	100	100	100	100	100	100	100
With limit on out-of-pocket expense .....	80	85	77	85	89	86	79	84	75
With an annual dollar maximum on out-of-pocket expense <sup>3</sup> .....	74	79	71	80	86	79	73	78	69
Per individual:									
Less than \$1,000 .....	23	26	22	45	50	42	19	20	18
\$1,000 - \$1,499 .....	23	24	24	21	24	18	24	23	25
\$1,500 or greater .....	27	30	25	14	11	18	30	34	26
Per family:									
Less than \$2,000 .....	15	16	14	23	26	19	13	14	13
\$2,000 - \$2,999 .....	11	10	12	10	9	12	11	10	12
\$3,000 or greater .....	23	23	23	10	7	13	25	27	24
Other family maximum <sup>4</sup> .....	9	9	9	8	6	11	9	10	9
No family maximum .....	16	21	13	30	36	24	14	17	11
Annual maximum on out-of-pocket expense based on earnings .....	3	3	4	3	1	6	3	3	4
Annual maximum on out-of-pocket expense varies by coinsurance rate <sup>5</sup> .....	2	2	2	2	2	2	2	3	2
Other .....	( <sup>6</sup> )	1	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )	( <sup>6</sup> )	1	-
No out-of-pocket expense required <sup>7</sup> .....	7	2	10	6	2	6	8	2	11
No limit on out-of-pocket expense .....	9	8	10	8	8	8	10	9	10
Not determinable .....	4	4	3	( <sup>6</sup> )	1	-	4	5	4

<sup>1</sup> Data for public sector employees are for 1994, data for private sector small establishments (fewer than 100 employees) are for 1996, and data for private sector medium and large establishments are for 1997.

<sup>2</sup> These plans include exclusive provider organizations that are not shown separately.

<sup>3</sup> Deductible amounts were excluded from computation of the out-of-pocket dollar limits. With rare exceptions, an out-of-pocket limit was specified on an annual basis. Few workers were in plans where the expense limit applied to a disability or a period other than a year. Charges for certain services, such as mental health care, may not be counted toward the out-of-pocket maximum.

<sup>4</sup> These are plans where a family maximum is stated in such a way that it cannot be computed. For example, the individual out-of-pocket expense is limited to \$1,000 per year and the family out-of-pocket expense is limited to three individuals. The family out-of-pocket expense cannot be computed

because each of the three individuals must separately reach an out-of-pocket limit of \$1,000. Thus, if two individuals each reach \$1,000 in their out-of-pocket expenses, and two other family members reach \$900 and \$800, respectively, in out-of-pocket expenses, the family out-of-pocket limit would not have been met. A family dollar maximum cannot be computed in this example.

<sup>5</sup> Some plans reimburse medical expenses at more than one coinsurance rate. They impose a limit on out-of-pocket expenses by specifying a maximum on covered medical expenses beyond which all expenses are paid at 100 percent.

<sup>6</sup> Less than 0.5 percent.

<sup>7</sup> All covered expenses are paid at 100 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Dash indicates no employees in this category.

TABLE B-6. Percent of full-time employees in health plans other than health maintenance organizations (HMOs) by maximum benefit provisions, public and private sector, 1994-97<sup>1</sup>

Maximum benefit <sup>2</sup>	All employees			Public sector			Private sector		
	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>3</sup>	Fee-for-service plans	Preferred provider organizations
Number of employees (in thousands) .....	46,294	21,341	24,047	7,881	4,269	3,368	38,414	17,071	20,678
Total (percent) .....	100	100	100	100	100	100	100	100	100
With maximum limits .....	68	70	68	75	76	78	67	68	66
Lifetime maximum only .....	66	67	66	73	75	75	64	65	64
Less than \$500,000 .....	5	8	2	5	8	2	5	8	2
\$500,000 - \$999,999 .....	5	6	5	5	6	5	5	6	5
\$1,000,000 or greater .....	56	53	59	63	61	69	54	51	57
Annual or disability maximum only .....	1	1	1	1	( <sup>4</sup> )	1	1	1	1
Both lifetime and annual or disability maximums .....	1	1	1	1	( <sup>4</sup> )	2	1	2	1
Other maximum .....	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	-	1	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Without maximum limits .....	28	26	29	24	23	21	29	26	30
Not determinable .....	4	5	3	1	1	1	4	6	3

<sup>1</sup> Data for public sector employees are for 1994, data for private sector small establishments (fewer than 100 employees) are for 1996, and data for private sector medium and large establishments are for 1997.

<sup>2</sup> Maximum benefit described is for each insured person. Where the maximum differed for employees and dependents, the employee maximum was tabulated.

<sup>3</sup> These plans include exclusive provider organizations that are not shown separately.

<sup>4</sup> Less than 0.5 percent.

NOTE: Because of rounding, sums of individual items may not equal totals. Dash indicates no employees in this category.

TABLE B-7. Average annual deductibles, out-of-pocket expenses, and lifetime benefits in all health plans except health maintenance organizations (HMOs), public and private sectors, 1994-97<sup>1</sup>

Feature	All employees			Public sector			Private sector		
	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations	All non-HMO plans <sup>2</sup>	Fee-for-service plans	Preferred provider organizations
Number with medical care	46,294	21,341	24,047	7,881	4,269	3,368	38,414	17,071	20,678
Average annual deductible <sup>3</sup> .....	\$268	\$270	\$267	\$186	\$172	\$206	\$288	\$295	\$280
Annual maximum out-of-pocket expenses <sup>3,4</sup>									
Individual .....	1,440	1,418	1,463	941	862	1,053	1,553	1,571	1,539
Family .....	2,966	2,921	2,988	1,947	1,690	2,275	3,146	3,183	3,092
Lifetime maximum benefits <sup>3,4</sup> .....	1,180,351	1,007,047	1,332,015	988,246	907,659	1,088,838	1,224,791	1,035,160	1,378,691

<sup>1</sup> Data for public sector employees are for 1994, data for private sector small establishments (fewer than 100 employees) are for 1996, and data for private sector medium and large establishments are for 1997.

<sup>2</sup> These plans include exclusive provider organizations that are not shown separately.

<sup>3</sup> The average is presented for all covered workers; averages exclude

workers without the plan provision.

<sup>4</sup> Maximum described is for each insured person. Where the maximum differed for employees and dependents, the employee maximum was tabulated.

NOTE: Because of rounding, sums of individual items may not equal totals.